

REMARKS

Claims 19-121 are pending in the application. Claim 89 is cancelled without prejudice. In view of the foregoing amendment and following remarks, reconsideration and allowance of all pending claims in the application is requested.

ARGUMENTS

Section 112 Rejection

With respect to the Section 112 rejection of Claim 19 and 86-89, the parameters are defined by user input or selection of the parameters. The transaction type refers to the type of transaction (e.g., in the case of POS transaction, the payment for goods or services or the payment of goods or services with cash back, among others). These claims are believed to be clear in light of the specification.

Section 103 Rejection

Claims 19-121 stand rejected under 35 U.S.C. 103(a) as allegedly being unpatentable over Morioka et al. (US 5,995,949) in view of Lawlor et al. (US 5,220,501). Applicant traverses this rejection on the following basis.

The rejection fails to establish a *prima facie* case of obviousness. At a minimum, the prior art relied on fails to disclose a cardless transaction system where user selected parameters are prestored based on user selections and then reused in subsequent transactions, where the transactions are stored in memory of the system; the use of a customized display; and the use of a single screen to enable a user to execute a transaction with a single selection from the single screen. These features render independent claims 19 and 86-88 distinguishable over the prior art.

Claim 89 has been canceled without prejudice. The dependent claims are allowable for at least the same reasons and contain additional patentable features.

This response is believed to overcome all grounds of rejection. Applicant notes that the Office Action appears to address claims 47-85 and 90-121 at the bottom of page 6 of the Office Action, but a portion of the rejection appears to be missing.

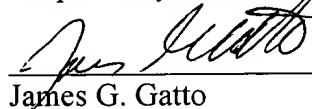
Applicant also wishes to bring to the Examiner's attention the fact that in connection with litigation of the ultimate parent application, the Court found the Coutts reference to impact the validity of a number of the asserted claims.

Reconsideration of the rejection is solicited.

The foregoing is believed to overcome all grounds of objection and rejection and place the case in condition for allowance. Notification of such is earnestly solicited.

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Respectfully submitted,



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